(e) what points of reference have been reported by Government nominee on the Board of Directors of the Company?

THE MINISTER OF INDUSTRY (SHRI AJIT SINGH): (a) Most of the technical Workers in the two factories of Tannery & Footwear Corporation of India Limited have gone on strike since 28-7-1990 in factory No. 1 and since 30-7-1990 in factory No. 2.

(b) Inadequate availability of raw materials due to financial stringency is one amongst several reasons affecting production. Despite the constraints, the production of the company has increased to Rs. 394·06 lakhs during January July, 1990 as compared to Rs. 359·87 lakhs during the corresponding period last year.

(c) to (e) Government have requested IDBI to undertake an indepth study into the working of TAFCO. The points of reference of this study are to examine the viability of the company's operations and suggest ways and means for TAFCO's revival.

Permission to M/s. Simtools for foreign collaboration to make soft drink machinery

1394. SHRI DIPEN GHOSH: Will the Minister of INDUSTRY be pleased to state:

(a) whether it is a fact that M/s. Simtools have been permitted foreign collaboration for manufacturing soft drink machinery;

(b) what was the foreign exchange outflow as per the application; and

(c) what has been the import of soft drink machinery during the last 2 to 3 years?

THE MINISTER OF INDUSTRY (SHRI AJIT SINGH): (a) M/s. Simtools Limited have been permitted foreign collaboration for the manufacture of Bottling Plants.

(b) The foreign exchange outflow shown in the application during the period of collaboration (5 years) was Rs. 645·75 lakhs.

(c) Import data of 'soft drink machinery' is not separately classified in import statistics.

Pending applications from entrepreneurs of West Bengal for grant of letters of intent/licences

1395. PROF. SOURENDRA BHATTACHARJEE: Will the Minister of INDUSTRY be pleased to state:

(a) whether it is a fact that large number of applications from entrepreneurs from the State of West Bengal for grant of letters of intent/licences are pending with the Central Government for a long time;

(b) whether it is also a fact that the applicants are being discouraged for the issuance of licences if they choose to set up industries in the State;

(c) if so, what are the details thereof; and

(d) what is the number of industrial licences issued to this State during the last two years?

THE MINISTER OF INDUSTRY (SHRI AJIT SINGH): (a) During the period 1987 to 1990 (upto June), 252 Industrial Licence applications have been received for setting up industrial undertakings in West Bengal. Of these, 91 letters of intent have been

granted. Of the remaining, 111 have been rejected or otherwise dispose of and 50 are at various stages of processing.

(b) No, Sir.

(c) Does not arise.

(d) During the period 1988 to 1990 (upto June) 48 Industrial Licences have been issued for setting up Industrial Undertakings in West Bengal.

Holding of shares by MRTP companies in the Non-MRTP companies

1396. SHRI YASHWANT SINHA : Will the Minister of INDUSTRY be pleased to state :

(a) whether it is a fact that a number of MRTP companies hold shares in non-MRTP companies ;

(b) if so, what is the combined share of each of Houses in these non-MRTP companies ;

(c) whether it is also a fact that persons on the Board of MRTP companies hold directorship in many other non-MRTP companies ; and

(d) if so, what is the extent of control exercised by the MRTP Houses where they have shareholding and/or directorships ?

THE MINISTER OF INDUSTRY (SHRI AJIT SINGH) : (a) Yes, Sir.

(b) The total investments of the MRTP companies formed only 4.15% of their total assets in 1987-88. The time and efforts involved in computing the combined share of each of these companies in non-MRTP ones will not be commensurate with the benefits to be realised.

(c) Yes, Sir.

(d) If a MRTP company or companies belonging to a MRTP House together hold not less than one-fourth equity shares of another company, their undertakings are interconnected.

Further, if one or more directors of MRTP company, independently or together with their relatives or employees of the MRTP company, constitute or constituted within a period of six months, one-fourth of Board of Directors of another company, the undertakings of these companies are also interconnected.

These are some of the forms of interconnection involving the criteria of shareholding and directorship through which MRTP Houses may exercise control.

Proposal to reserve production of consumer goods for small and tiny sector industries

1397. SHRI HARVENDRA SINGH HANSPAL : Will the Minister of INDUSTRY be pleased to state :

(a) whether Government propose to reserve production of consumer goods for small and tiny sector industries ;

(b) whether it is also a fact that at present consumer goods are mostly produced by multi-national companies due to which the small and tiny sector industries have been adversely affected ; and

(c) whether Government propose to make further changes in the existing industrial policy to boost small and tiny sector industries; if so, what are the details thereof ?